

SENATE BILL 123

N1

2lr0051

By: **Chair, Judicial Proceedings Committee (By Request – Departmental – Assessments and Taxation)**

Introduced and read first time: January 18, 2012

Assigned to: Judicial Proceedings

A BILL ENTITLED

1 AN ACT concerning

2 **Real Property – Purchase of Residential Property by Secured Party – Notice**
3 **to Local Supervisor of Assessments**

4 FOR the purpose of requiring certain persons to provide a copy of a certain court order
5 within a certain period of time to the local supervisor of assessments under
6 certain circumstances; establishing joint liability for certain exemptions or
7 credits and certain interest until the court order is received; providing for the
8 application of this Act; making stylistic changes; and generally relating to the
9 purchase of residential property by a secured party.

10 BY repealing and reenacting, with amendments,
11 Article – Real Property
12 Section 7–105.5
13 Annotated Code of Maryland
14 (2010 Replacement Volume and 2011 Supplement)

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
16 MARYLAND, That the Laws of Maryland read as follows:

17 **Article – Real Property**

18 7–105.5.

19 **(A) IN THIS SECTION, “REAL ESTATE REPORTING PERSON” HAS THE**
20 **MEANING STATED IN 26 U.S.C. § 6045.**

21 **(B) No title to property acquired at sale of property subject to a mortgage or**
22 **deed of trust is invalid by reason of the fact that the property was purchased by the**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 secured party, [his] BY THE SECURED PARTY'S assignee[,] or representative, or for
2 [his] THE SECURED PARTY'S account.

3 (C) (1) IF PROPERTY PURCHASED BY A SECURED PARTY, BY THE
4 SECURED PARTY'S ASSIGNEE OR REPRESENTATIVE, OR FOR THE SECURED
5 PARTY'S ACCOUNT, IS RESIDENTIAL PROPERTY, THE SECURED PARTY OR THE
6 REAL ESTATE REPORTING PERSON SHALL, WITHIN 30 DAYS AFTER THE DATE OF
7 A COURT ORDER RATIFYING THE SALE, PROVIDE A COPY OF THE COURT ORDER
8 TO THE SUPERVISOR OF ASSESSMENTS FOR THE COUNTY IN WHICH THE
9 PROPERTY IS LOCATED.

10 (2) IF A COPY OF THE ORDER RATIFYING THE SALE IS NOT
11 PROVIDED TO THE SUPERVISOR OF ASSESSMENTS AS REQUIRED BY PARAGRAPH
12 (1) OF THIS SUBSECTION, THE SECURED PARTY AND THE REAL ESTATE
13 REPORTING PERSON SHALL BE JOINTLY LIABLE TO THE TAXING AUTHORITY
14 FOR THE AMOUNT OF ANY EXEMPTION OR CREDIT RELATED TO PRINCIPAL
15 RESIDENCY AND RECEIVED ON THE PROPERTY, PLUS INTEREST AT THE RATE
16 PROVIDED FOR LATE PAYMENTS OF REAL PROPERTY TAX, UNTIL THE COURT
17 ORDER IS RECEIVED BY THE SUPERVISOR OF ASSESSMENTS.

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
19 June 1, 2012, and shall be applicable to all taxable years beginning after June 30,
20 2012.